

**IOWA RACING AND GAMING COMMISSION
MINUTES
APRIL 20, 2006**

The Iowa Racing and Gaming Commission (IRGC) met on Thursday, April 20, 2006 at Harrah's Casino in Council Bluffs, Iowa. Commission members present were Diane Hamilton, Chair; Kate Cutler, Vice Chair; and members Joyce Jarding, Gerry Bair and Greg Seyfer.

Chair Hamilton called the meeting to order at 8:00 AM, and requested a motion to approve the agenda. Commissioner Bair moved to approve the agenda as amended. Commissioner Cutler seconded the motion, which carried unanimously.

Chair Hamilton requested a motion to enter into Executive Session. Commissioner Cutler moved to go into Executive Session for the purpose of receiving DCI background investigation reports pursuant to Iowa Code Section 21.5(1)g. Commissioner Bair seconded the motion, which carried unanimously on a voice vote. (See Order No. 06- 34)

Following Executive Session, The Honorable Tom Hanafan, Mayor of Council Bluffs, welcomed the Commission to Council Bluffs. Mayor Hanafan stated that the gaming industry has done a tremendous job for Council Bluffs and the State of Iowa. He gave credit to the licensees in Council Bluffs: Ameristar, Harrah's and the Iowa West Racing Association. He commended the Commission members, noting that Iowa has the best run gaming operations in the country, and that he receives calls from around the country to speak about Iowa's gaming industry.

Chair Hamilton moved to the approval of the minutes from the March 2, 2006 Commission meeting. Hearing no comments or questions, Chair Hamilton requested a motion. Commissioner Jarding moved to approve the minutes as submitted. Commissioner Cutler seconded the motion, which carried unanimously.

Chair Hamilton called on Jack Ketterer, Administrator of IRGC, for announcements. Mr. Ketterer advised this was Commissioner Jarding's last meeting. He presented Commissioner Jarding with a plaque commemorating her service on the Commission from September 30, 2002 through April 30, 2006.

Mr. Ketterer recognized the following IRGC employees from the Council Bluffs facilities: Carol Fajen, Max Zaragosa, Cory Ostermeyer, Rob Washburn, Jennifer Eichmann, Jeff Rethmeier, Bryan Crowdy, and Lynette Masker.

With regard to upcoming Commission meetings, Mr. Ketterer advised there is no meeting in May, and that the June meeting will be held on June 8, 2006 at Stoney Creek Inn in Johnston. He noted that the Fiscal Year 2007 meeting dates were before the

Commission for consideration. As there were no requested changes to the proposed dates, the dates will stand.

Mr. Ketterer noted that there have been a couple of openings since the March meeting – Horseshoe Casino and Diamond Jo Worth (DJW). He noted that DJW actually opened on April 6th, but held their grand opening on April 19, 2006. The Commission will receive a report on the opening at the June Commission meeting.

Chair Hamilton called on Mr. Ketterer regarding the rules before the Commission for final adoption. He noted that the rules had been before the Commission under Notice of Intended Action at the January meeting, and recommended approval of the rules.

Hearing no comments or questions concerning the rules, Chair Hamilton requested a motion. Commissioner Cutler moved to approve the rules for Final Adopt. Commissioner Bair seconded the motion, which carried unanimously. (See Order No. 06-35)

Chair Hamilton moved to the approval of the distribution of the Horse Racing Promotion Fund. Mr. Ketterer advised that two groups submitted applications for the available fund of \$4,158.39: the Iowa State University, College of Veterinary Medicine, Racing Chemistry and the Legacy Harness Horse Foundation.

Dr. Walter Hyde, representing the Racing Chemistry Lab, indicated he was available to answer any questions, and thanked the Commission for their consideration of the Racing Chemistry's application for the funds.

Hearing no comments or questions concerning either request for the Horse Racing Promotion Funds, Chair Hamilton requested a motion. Commission Seyfer moved to divide the available funds of \$4,158.39 with one-half going to Iowa State University, College of Veterinary Medicine, Racing Chemistry and one-half to the Legacy Harness Horse Foundation. Commissioner Cutler seconded the motion, which carried unanimously. (See Order No. 06-36)

Dr. Hyde thanked the Commission for their support of the Racing Lab.

Chair Hamilton moved to the approval of the Agreements Pertaining to Racing at Prairie Meadows Racetrack & Casino (PMR&C) for the 2006 Season with the Iowa Quarter Horse Racing Enterprise, Inc. (IQHREI) and the Iowa Horse Benevolent and Protection Association, Inc. (IAHBPA).

Mr. Ketterer noted that these agreements were just reached within the last week, necessitating the amendment of the agenda. Both agreements call for payments by PMR&C to the two above-referenced organizations prior to the June 8 Commission meeting. Mr. Ketterer recommended approval of the agreements as submitted.

Hearing no comments or questions concerning the Agreements, Chair Hamilton requested a motion. Commissioner Jarding moved to approve the agreements between PMR&C and the IQHREI and IAHBPA as submitted. Commissioner Cutler seconded the motion, which carried unanimously. (See Order No. 06-37)

Chair Hamilton moved to the review of the financial audit of the Iowa Greyhound Association (IGA) and Iowa West Racing Association joint escrow account for the year ended December 31, 2005. Jon Garner, IGA's legal representative, stated that they feel the fund is being well-managed, and will continue to utilize the same management firms next year.

As there were no comments or questions for Mr. Garner concerning the audit, Chair Hamilton moved to the next agenda item: a request by the IGA for authorization to withdraw funds from the escrow account. Mr. Garner advised that the IGA is requesting the Commission's authorization to withdraw up to \$20,000.00 from the joint escrow account to pay all expenses related to the first annual IGA Auction to be held on May 20, 2006. The Commission will receive copies of all receipts and/or expenses related to the auction. Any funds not necessary for the auction will be returned to the escrow account. Mr. Garner stated that prior to the auction taking place; the numbers are hard to tie down.

Mr. Ketterer asked how many greyhounds are slated to be auctioned at this time. Mr. Garner indicated there are eight or nine litters with another five or ten individual pups; 16-20 greyhound stud services, and some equipment. Mr. Garner stated that he has been told to expect a "flood" of entries two or three weeks prior to the auction.

Hearing no further comments or questions concerning the request, Chair Hamilton called for a motion. Commissioner Cutler moved to approve IGA's request for authorization to withdraw up to \$20,000 from the joint escrow account to pay expenses related to the first annual IGA Auction on May 20, 2006. Commissioner Bair seconded the motion, which carried unanimously. (See Order No. 06-38)

Chair Hamilton moved to the review of the licensees' financial audits, and called on Ameristar Casino. Teresa Meyer, General Manager, noted that during 2005, Ameristar captured 43% of the Council Bluffs market, up from 41% in 2004; the overall Council Bluffs market revenue grew to \$434 million, up 3.8% from 2004, with Ameristar's 2005 gaming revenue increasing to \$187 million, an increase of 9% over 2004. She noted that the overall slot revenue for Council Bluffs increased by 3% to \$390 million, and table win increased 10.6% to \$44 million. Ameristar's slot revenue was up 9.6%, and table revenue increased by 7%. Admissions for the Council Bluffs market in 2005 was 7.9 million, a decrease of 3%; however, Ameristar's admissions increased to over 3.2 million, representing an increase of 4%. Ms. Meyer noted that Ameristar made two significant capital improvements to the Council Bluffs property: the total renovation of the hotel rooms at a cost of \$12 million, and a \$4 million renovation of the buffet.

Ms. Meyer noted that Michael Shelton, Vice President of Finance, and Greg Manthei, Financial Controller, were available to answer any questions concerning the audit.

Commissioner Bair noted that under Notes Payable, for Ameristar as well as some of the other licensees, there is a large amount payable to the corporate parent. He noted the amounts vary between 4-5%, and asked if the local property had any say in determining the rate. Mr. Manthei indicated the rate is determined by the corporate office, and is based on their lending rate. He noted that the amount payable is decreasing quickly.

Hearing no further comments or questions concerning Ameristar's financial audit, Chair Hamilton called on Argosy Sioux City. Brian Wessels, Director of Finance, stated that 2005 was another great year for Argosy Sioux City, noting that they were purchased by Penn National Gaming in October. He noted that casino revenues were up \$5.4 million, an 11% increase over 2004, which he attributed to the approximate \$20 million investment in the boat during 2004. The amount paid to Missouri River Historical Development increased by \$400,000 to \$1.7 million under a new agreement.

Chair Hamilton called on Catfish Bend Casino (CBC). Jerry Baum, General Manager, and Mary Kaye Vosberg, Controller, were available to answer questions concerning the audit. Mr. Baum gave the following highlights from CBC's audit: gaming revenue of \$30.7 million, a 2% decrease from 2004; admissions were 567,000, which was less than a 1/2% decrease from 2004; gaming taxes paid to the state, county and city were \$6.9 million, the non-profit license holder received \$932,000; gaming taxes to the city totaled \$283,000; local sponsorships amounted to \$235,000, and distributions to investors were \$4 million.

Mr. Ketterer asked Mr. Baum if he had any idea how much of CBC's business comes from Illinois, Missouri and Iowa. Mr. Baum stated that he did not have an exact percentage, but indicated that approximately one-third comes from Illinois, 10-15% from Missouri and the balance from Iowa.

Hearing no further comments concerning CBC's audit, Chair Hamilton called on Harveys Iowa Management Company, Inc. Gaye Gullo, General Manager of Harrah's and Horseshoe Casino, introduced Janae Sternberg, Director of Finance. Ms. Sternberg provided the following information for Harrah's 2005 fiscal year: revenues were \$125.1 million, a 5.6% increase; admissions were 2.2 million, gaming taxes of \$26.3 million were paid to the state, county and city, and \$4.2 million was paid to Iowa West Racing Association (IWRA).

Commissioner Bair asked if the management fee was a preset figure for the property. Ms. Sternberg answered in the affirmative; that the parent company sets the figure for each Harrah's property.

Commissioner Bair noted that corporate debt is approximately 11.8%, and wondered if the local property had any say in the amount charged to the property. Ms. Sternberg indicated the corporate office also sets that figure.

Hearing no further comments regarding the Harveys audit, Chair Hamilton called on HGI-Lakeside. Damon Butler, General Manager, and Lynette Bailey, Financial Controller, were present to answer any questions. Mr. Butler provided the following information for the 11 months of operation at Lakeside in 2005: gaming revenues of \$50 million, and just over \$56 million in total revenue. He noted that 2005 was a year of forward progress for the property with \$15.8 million in capital improvements. To date, capital improvements in 2006 total \$2.5 million. Mr. Butler indicated this number would continue grow. For the first quarter of 2006, Mr. Butler advised that hotel occupancy is approaching 90%, casino revenue is up \$1.8 million, representing a 13.4% year to year growth. He noted even with all of the construction, the patron count for the first quarter increased 29.5%.

Mr. Butler noted that the other major project for 2005 was the installation of the Mr. Terrible's sign along Interstate 35 in October. He noted that since the installation, new member counts are up, and that over 57% of those are from distances of 100 miles or greater with 36% having come back two or more times.

With regard to the "Buy Iowa" focus, Mr. Butler noted that Lakeside finished 2005 with a 91.3% rating and he is looking forward to maintaining that figure for 2006.

Mr. Ketterer congratulated Mr. Butler on the capital improvements at the property, with the corresponding increase in patron counts. Mr. Butler indicated that the casino improvements are complete, and work will now focus on the land-based operations. He indicated the plan is to complete the renovation of the land-based operations and restaurants by June 23rd in order to have a good July 4 celebration. The master plan calls for landscaping the entire property and expanding the hotel.

Hearing no further comments regarding the Lakeside audit, Chair Hamilton called on Mississippi Belle II (MB II). Gus Linke, Controller, reported that gaming revenues were \$27 million, a decrease of \$160,000; admissions were 456,000, a decrease of 56,000 or an 11% decline from 2004. The win per person increased from \$53 to \$59 per person, an increase of 11%, which helped offset the decrease in attendance.

Commissioner Cutler asked about the decrease in attendance. Mr. Linke stated that in 2005 MB II analyzed the bus program, and eliminated those routes that were not performing, and then put that money towards more advertising in an attempt to attract new quality customers. Commissioner Cutler asked about MB II's plan for 2006. Mr. Linke indicated they will continue to work on attracting more customers.

Hearing no further questions or comments concerning the MB II audit, Chair Hamilton called on Bluffs Run Casino (BRC). Ms. Sternberg provided the following information:

revenues were \$103.8 million, admissions were 3.2 million, and gaming taxes paid to the state, county and city totaled \$28.3 million. During 2005, the property saw the construction of the Horseshoe Casino and JB's Café, as well as a 1,000 stall parking garage.

Commissioner Bair commented on the decrease in the number of jackpots paid. Ms. Sternberg indicated that was due to the difference in the way the machines are set, as well ticket in/ticket out, so they are not doing as many hand jackpot payouts as before.

Mr. Ketterer congratulated Horseshoe on their opening, and the \$86 million investment, which has been rewarded with a wider circle of patrons. He noted that although Horseshoe has affected Ameristar and Harrah's somewhat, there is an additional \$1 million of revenue in the market.

As there were no further comments or questions, Chair Hamilton called on IWRA. Todd Graham, Executive Director, recognized IWRA Board members and staff present. He noted that 2005 was a good year for the riverboat operations and the sponsorship fees received from all Council Bluffs properties. IWRA received \$8,557,099 in sponsorship fees, with the breakout as follows: Ameristar - \$4,350,000 and Harrah's - \$4,207,099. These fees exceeded the 2004 sponsorship fees by \$143,309. Mr. Graham indicated the only other change in the way the figures are reported is the manner in which staff is paid due to a change in the organizational structure. Previously, employees were employed by a parent company, with IWRA reimbursing employee expenses. Now, the employees work directly for IWRA, so the audit shows an expense of \$95,335 for salaries and benefits.

Hearing no comments or questions concerning IWRA's audit, Chair Hamilton called on the Dubuque Racing Association (DRA). Roger Hoeger, Assistant General Manager and Controller, noted that the new casino opened on May 29th, representing six months of increased revenues based on 1,000 slot machines. They had revenues of \$7.7 million, or an increase of 18% over 2004. Net revenues were \$3.3 million, an increase of approximately 12%, while expenses increased about \$6.5 million, or 4.5%. Mr. Hoeger attributed the large increase in expenses to the loss on disposable fixed assets, a write-off of the old casino, and the table game license fee of \$3 million, for a loss of approximately \$1.7 million. Cash flows were healthy; and distributions to the city were in the proximity of last year's figures. Rent expense increased \$1.9 million, which is part of DRA's mission of lessening the burden of government by insuring that non-profit organizations receive a substantial portion of the proceeds.

As there were no questions concerning DRA's audit, Chair Hamilton called on Prairie Meadows Racetrack & Casino (PMR&C). Ann Long, Vice President of Finance and Chief Financial Officer, noted that 2005 was the first full year of table games at the property, and they started the \$62 million construction project, which consists of a paddock, walking ring, jockeys' quarters, a multi-purpose room, steak house and a new buffet. Portions of this project will not be totally complete until February 2007. Gross

revenues for 2005 were up 11.5%, attendance was up 13%, taxes paid to the state, county and city were \$44.4 million, and charitable distributions were \$18,963,000.

Mr. Ketterer congratulated PMR&C on the new paddock and jockeys' quarters, which the Commission has been requesting for ten years. He indicated they had done a terrific job on those two projects. Ms. Long indicated there would be a ribbon cutting ceremony for the paddock on May 11, 2006.

Hearing no further comments or questions concerning PMR&C's audit, Chair Hamilton moved to licensee updates and/or openings, and called on Wild Rose Emmetsburg (WRE). Kevin Preston, Vice President of Operations and Gaming, and Joe Phelps, General Manager, were present, and distributed pictures chronicling the project's progress. Mr. Preston indicated that things are going very well, with the project ahead of schedule. They are anticipating opening the property on May 28th for friends and family, to the public on May 29th, with the grand opening to occur on June 30th and July 1st. Mr. Preston indicated WRE would be a first class destination resort with 28,000 square feet of slot machines, an authentic Irish Pub, a 70-room hotel, buffet and a convention center that will seat 500 for a show, and 300 for sit-down wedding reception. There is an RV park with a 12.5 acre lake. Mr. Preston noted that the opening is less than 6 weeks away, and the employees are excited. Workers are finishing up the final touches. The casino floor will accommodate approximately 600 slot machines; they anticipate opening with 530 machines and 15 table games. Mr. Preston commented on the support from the community and the non-profit organization.

Commissioner Bair noted that during the last update, Mr. Preston talked about the job fair, and asked about employee training. Mr. Preston stated that dealer training started on March 1st at the Iowa Lakes Community College. He indicated that the setting is working out very well for the training. All of the management team has been hired, and they have hired all of their staff. A majority of the employees will come on board May 1st, with the balance starting on May 8th.

At this time, Mr. Preston introduced Joe Phelps, who provided some background information on himself. Prior to coming to Iowa, he worked at the Mohegan Sun Resort Casino in Uncasville, Connecticut for approximately 9.5 years, and has been involved in the casino industry since the early 1990's. He noted that he has been embraced by the community personally as well as in connection with the casino.

Commissioner Cutler asked for additional information concerning events surrounding the grand opening weekend. Mr. Preston advised that on May 28th, the facility would open at 6:00 PM for friends and family by invitation only, followed by the public opening on May 29th. The next month will be for the employees and dealers to get acclimated, and the actual grand opening will occur on June 30/July 1. There will be fireworks both nights. All details have not been worked out at this time.

Chair Hamilton called on Riverside Casino & Golf Resort (RC&GR). Joe Massa, General Manager, indicated the project is on budget and ahead of schedule. The projected opening date set forth in the application was November 2007, but is now projected for September 2006. The original budget for the project was \$107 million, which has increased to \$135 million. The budget increased due to the purchase of additional land, changing the hotel structure from a two-story, three-wing hotel to a five-story concrete and steel structure, upgrading the hotel and casino interior design, and adding an indoor/outdoor pool, spa, retail/boutique space, and an employee health and wellness center. Some aspects of the additions will not be completed until January 2007. The project is defined as a riverboat casino within the regulations allowing the gaming floor to be situated over water within 1,000 feet of the high water mark of the river. The water element has been installed, and everything went well.

Mr. Massa addressed how the facility complied with the requirement to represent Iowa's riverboat history. He noted that navigation started on the Iowa River in 1941, and lasted approximately 25 years. Steamboats spurred commercial construction along the riverbanks, which was characterized by massive masonry structures and posts for the exterior structure. The boats were elegant and extravagant in their exterior facades. Decorations were highlighted by rich colors and ornate columns. The property will have several restaurants, a brick exterior highlighted by massive stone structures, and an opulent interior throughout the facility. The property will have a 50' tall dome ceiling with water falling constantly, and lights. The golf course will open in May or June 2007.

The gaming floor started out at 35,500 square feet, but in the final design, it has been increased to 46,000 square feet. The floor will hold 1,400 slot machines; however, they intend to open the facility with 1,175 slot machines and 14 table games.

Hearing no comments or questions for Mr. Massa, Chair Hamilton called on Isle of Capri Black Hawk County. Nancy Donovan, Regional Vice President for Isle of Capri (IOC), advised that groundbreaking for the facility occurred on October 6, 2005, and they have been busy since then working with the Birch family and the City of Waterloo to create a 200-acre destination area, just over 50 acres of which will be IOC's. IOC is hoping the facility will attract visitors from a 200-mile radius, hopefully from Minnesota and Wisconsin to help generate revenues. Ms. Donovan stated that the site work and hotel foundation are 100% complete, earth moving is taking place, the site utilities are being installed, and the concrete super-structure is going up. She noted that 50% of the project has been bid to date. Ms. Donovan stated that the casino and pavilion are on target to open in April 2007 with all of the restaurants, meeting and office space in place. The hotel will sit atop the pavilion, and will be finished in the following months.

After reviewing the original project, IOC decided they wanted to offer a more spacious facility, and have increased the budget from \$119 million to \$134.5 million, an increase of approximately 14%. Square footage has increased to 241,000 square feet, approximately 41,000 more square feet than originally proposed. This will allow more space between the casino aisles. In addition to the traditional restaurants at IOC

properties, IOC added a full-service Starbucks coffee shop to the facility. The number of parking spaces has been increased to 1,100 from 1,000. Ms. Donovan stated that IOC re-evaluated the brand, and the Waterloo property will have an elevated color palette and finish to the property. They are looking to add some authenticity to the brand via added colors and naturals.

Ms. Donovan stated that the entire casino square footage will be 54,000. The property will open with 1,120 slots and 33 table games, just over what was originally proposed. The project has been planned to allow for significant expansion in the future. The pavilion will have 67,000 square feet to house the restaurants, hotel check-in, meeting space, which has been increased to 5,000 square feet, and other features common to the pavilion area. The hotel will be approximately 120,000 square feet, and will have 194 rooms with 26 suites. She described some of the amenities that will be available in some of the rooms and/or suites.

The Waterloo facility will be a moored barge facility on a man-made six acre lake that will be four to six-feet deep. Based on the site survey, IOC understands the facility is within 1,000 feet of the 100-year flood mark. The lake will be surrounded with native Iowa grasses, an observation area for individuals to view the plantings, and an educational trail through the grasses. Ms. Donovan stated the lake will be lined with natural clay.

Ms. Donovan noted that the exterior of the facility did take into account aspects of Iowa's riverboat history – the center will have a paddle wheel feature.

With regard to the hiring process, Ms. Donovan indicated that interviews for the general manager will take place in May; they hope to make a selection, with the possibility of introducing the general manager at the June Commission meeting. After the selection of the general manager, the hiring process will gear up, with the majority of the employees not coming on board until closer to the facility opening.

Ms. Donovan stated that IOC has been involved in the community and sponsored some aspects of Waterloo Days and the Waterloo Golf Tournament, and have been in or involved with various parades. She noted that IOC's gift of \$1 million to the City of Waterloo has been allocated by the City as follows: \$300,000 to youth educational programs; with additional funds going to the youth summer program, and increased the police and fire departments to full staff. Ms. Donovan stated that everything is going smoothly at this time.

Hearing no comments or questions for Ms. Donovan, Chair Hamilton moved to the next agenda item – IOC's request for approval of a Second Amendment to the Third Amended and Restated Credit Agreement, which would facilitate the sale of IOC properties located in Vicksburg, Mississippi and Bossier City, Louisiana. Curt Beason, Iowa legal counsel for IOC, advised that this amendment is a contract approval affecting all four of the Iowa IOC properties. These documents will allow the sale of the above-mentioned properties

and the reinvestment of those proceeds into other IOC properties, as well as the investment of insurance proceeds from the hurricane damage in the Gulf Coast.

Hearing no comments or questions for Mr. Beason, Chair Hamilton requested a motion. Commissioner Cutler moved to approve the Second Amendment to the Third Amended and Restated Credit Agreement as submitted. Commissioner Seyfer seconded the motion, which carried unanimously. (See Order No. 06-39)

Chair Hamilton moved to the contract approval portion of the meeting, and called on Washington County Riverboat Foundation, Inc (WCRF). Mr. Ketterer indicated that a representative was not present, but noted there was a question at the March meeting as to what amendments were made to the By-Laws. The Commission received a set of By-Laws underscoring the changes which have been provided in the meeting packets. Mr. Ketterer recommended approval.

Hearing no comments or questions concerning the By-Laws for WCRF, Chair Hamilton requested a motion. Commissioner Seyfer moved to approve the By-Laws as submitted by WCRF. Commissioner Cutler seconded the motion, which carried unanimously. (See Order No. 06-40)

Chair Hamilton called on CBC. Mr. Baum presented a contract with Aristocrat Technologies for the lease of six participation games.

Hearing no questions for Mr. Baum concerning the contract, Chair Hamilton requested a motion. Commissioner Cutler moved to approve the contract as submitted by CBC. Commissioner Jarding seconded the motion, which carried unanimously. (See Order No. 06-41)

Chair Hamilton called on IOC Marquette. Barron Fuller, General Manager, presented a contract with Trinity Work Fitness for a service agreement to operate the IOC Marquette Employee Health Center. This contract is with an approved vendor, and represents a name change.

Hearing no comments concerning the contract, Chair Hamilton requested a motion. Commissioner Jarding moved to approve the contract as submitted by IOC Marquette. Commissioner Cutler seconded the motion, which carried unanimously. (See Order No. 06-42)

Chair Hamilton called on Argosy Sioux City. Mr. Wessels presented the following contracts for Commission approval:

- Penn National Gaming, Inc. - Inter-company Charges
- United Healthcare –Group Health Care Fees
- Delta Dental – Dental Insurance, including Fees and Claims

Commissioner Cutler asked if Argosy was purchasing insurance from United, or if they were a self-funded group and United would be handling the administrative duties. Mr. Wessels indicated United would be doing the administration, and the facility is partially self-funded. The funds going to Penn National are for the claims that are paid, and the \$250,000 to United is for administrative fees.

Hearing no further questions for Mr. Wessels, Chair Hamilton requested a motion. Commissioner Cutler moved to approve the contracts as submitted by Argosy Sioux City. Commissioner Seyfer seconded the motion, which carried unanimously. (See Order No. 06-43)

Chair Hamilton called on Ameristar Casino. Ms. Meyer presented a contract with Gaming Partners International for gaming chips for the table tracking system.

Hearing no questions for Ms. Meyer, Chair Hamilton requested a motion. Commissioner Cutler moved to approve the contract as submitted by Ameristar. Commissioner Bair seconded the motion, which carried unanimously. (See Order No. 06-44)

Chair Hamilton called on WRE. Mr. Phelps presented a contract with Reliable Technology, Inc. for computer hardware/software.

Hearing no questions for Mr. Phelps, Chair Hamilton requested a motion. Commissioner Jarding moved to approve the contract as submitted by WRE. Commissioner Cutler seconded the motion, which carried unanimously. (See Order No. 06-45)

Chair Hamilton called on RC&GR. Mr. Massa presented the following contracts for Commission approval:

- Rheinschmidt Tile & Marble – Hotel Floor Coverings
- Knutson Construction – Spa Foundation
- Five Seasons Drywall – Casino Studs & Drywall
- Brintons US Axminster – Construction – Floor Coverings
- Control Installations of Iowa – Security/Surveillance Bid Package
- Brockway Mechanical – Wall Panels & Seam Metal Roofing
- MEPCO, Inc. – 12” Water Main
- Robert Dodd Drywall & Plastering – Hotel Structural Concrete
- Terry & Sons Painting – Hotel Painting/Drywall
- Innovative Openings, Inc. – Hotel Window Treatments
- Robert Dodd Drywall & Plastering – Casino Studs & Drywall
- Woodcraft Architectural Millwork, LLC – Casino Theming
- WMS Gaming – 162 Slot Machines
- Konami – 24 Slot Machines
- IGT – 769 Slot Machines
- Data Business Equipment – Ticket Exchange Kiosks

- The Boelter Companies, Inc. – Kitchen Equipment
- Impex Development – Bathroom & Closet Systems
- The Minnesota Chemical Co. – Iron/Folder
- DeVries Electric, Inc. – Installation TV Cable
- DeVries Electric, Inc. – Cable Tray – Premise Wiring
- Century Laundry Distributing – Washer & Dryer
- Century Laundry Distributing – Coat Check Room Conveyor
- Iowa Telecom – Telecommunications Service
- Slechta Communications – Advertising in Local Paper

Commissioner Cutler asked about the contract with Impex Development out of Seattle, Washington for the bathroom and closet systems, which was done through the general contractor. She felt there were surely Iowa companies that could provide the product. Mr. Massa indicated that a bid was received from an Iowa company; however, this company was substantially lower.

Commissioner Bair asked Commissioner Cutler if her question also included the contract with The Boelter Companies, Inc. for the kitchen equipment. Commissioner Cutler answered in the negative. Mr. Massa advised that no Iowa companies bid on this portion of the project.

Hearing no further questions or comments concerning the contracts, Chair Hamilton requested a motion. Commissioner Seyfer moved to approve the contracts as submitted by RC&GR. Commissioner Cutler seconded the motion, which carried unanimously. (See Order No. 06-46)

Chair Hamilton called on Harrah's. Ms. Gullo presented a contract with Game Plan Direct, LLC as an additional vendor for direct mail items.

Hearing no comments or questions for Ms. Gullo, Chair Hamilton requested a motion. Commissioner Cutler moved to approve the contract as submitted by Harrah's. Commissioner Jarding seconded the motion, which carried unanimously. (See Order No. 06-47)

Chair Hamilton called on Horseshoe Casino. Ms. Gullo presented the following contracts:

- Glazer's Distributors of IA – Vendor for Wine/Spirits
- Johnson Bros./IA Wine & Beverage – Wine/Beverage Vendor
- MFT Construction – Storm Sewer Repairs/Maintenance for Renovated Building

Commissioner Cutler asked if Horseshoe/Bluffs Run also had another vendor besides the two listed for wines, etc. Ms. Gullo indicated the property also utilizes Metro Liquor as the primary vendor, but the two listed here provide special liquors.

Hearing no further questions for Ms. Gullo, Chair Hamilton requested a motion. Commissioner Cutler moved to approve the contracts as submitted by Horseshoe Casino. Commissioner Seyfer seconded the motion, which carried unanimously. (See Order No. 06-48)

Ms. Gullo noted that the primary direct mail vendors previously approved for Harrah's/Horseshoe Casino/Bluffs Run Greyhound Park have become primary vendors for other Harrah's properties, necessitating the contract with Game Plan Direct as a backup vendor.

Chair Hamilton called on DGP&C. Bruce Wentworth, General Manager presented the following contracts for Commission approval:

- American Trust & Savings Bank – Banking Agreement (RP)
- Cintas – Employee Uniforms
- Tricor Insurance – Property and Casualty Insurance
- AC Coin & Slot Service Co. – 10 Slotto Lease Games
- AC Coin & Slot Service Co. – 4 Slotto-Popcorn Lease Games
- IGT – Machine Purchase & Parts (Revised)

Hearing no questions for Mr. Wentworth concerning the contracts, Chair Hamilton requested a motion. Commissioner Jarding moved to approve the contracts as submitted by DGP&C. Commissioner Cutler seconded the motion, which carried unanimously. (See Order No. 06-49)

Chair Hamilton called on PMR&C. Ray Sears, Director of Logistics, presented the following contracts for Commission approval:

- All Makes Office Interiors – Purchase Office Equipment & Supplies (Increase)
- Aristocrat Technologies, Inc. – Purchase of 32 Premium MAV 500 MK VI Slot Games & Accessories
- Automated Technologies & Integration (ATI) – Surveillance Equipment, Parts, Supplies & Service
- AVI Systems Inc. (Audio-Visual Inc.) – Audio-visual Equipment, Parts & Services (Increase)
- Bally Gaming Inc. – Purchase of 22 Game Cabinets, 12 M 9000, 8 S 9000, 2 CineVision
- Becker Equipment (Hockenberg's) – Food Service Equipment, Parts & Service (Increase)
- Bolton and Hay – Food Service Equipment, Parts, Supplies and Service (Increase)
- Business Furniture & Design – Furniture & Accessories
- Control Installations of Iowa (C13) – Surveillance Equipment, Parts, Supplies & Service (Increase)
- Corporate Express – Furniture & Accessories

- Global Spectrum, LP (Wells Fargo Arena) – Contract for the Lease of a Skybox in the Wells Fargo Arena
- Hawkeye Foodservice Distribution – Purchase of Food & Supplies
- IGT – Purchase of 20 AVP Triline Video Slot Games
- Iowa Des Moines Supply – Equipment, Paper Goods, Maintenance and Misc. Supplies
- Maroevich O'Shea and Coghlan – 2006 Jockey's Accident Insurance
- Microsoft Corporation – Microsoft Software Enterprise Agreement
- Monroe Manufacturing, LLC – Furniture and Accessories
- Pratt Audiovisual & Video Corporation - Audio-visual Equipment, Parts & Service
- Shattuck/Johnson Partnership – Office Building Lease (Increase)
- Spielo Manufacturing Incorporated – Purchase 10 Video Slot Games
- Storey-Kenworthy – Furniture, Office Supplies & Accessories
- Taylor Industries Inc. – Misc. Equipment Purchases & Maintenance
- Triad AV Services – Audio-visual Equipment, Parts & Service
- Waldinger Corporation – Contractor for Various Construction Projects
- WMS Gaming Inc. – Purchase of 35 Bluebird Slot Games (27 Video; 8 Reel)

Hearing no questions for Mr. Sears concerning the contracts, Chair Hamilton requested a motion. Commissioner Bair moved to approve the contracts as submitted by PMR&C. Commissioner Cutler seconded the motion, which carried unanimously. (See Order No. 06-50)

As there was no Administrative Business or Public Comment, Chair Hamilton requested a motion to adjourn. Commissioner Jarding so moved. Commissioner Cutler seconded the motion, which carried unanimously.

MINUTES TAKEN BY:

JULIE D. HERRICK